

April 9, 2009

OBEY TALKS ECONOMIC RECOVERY IN LADYSMITH

Says Economy Won't Work Right Until It Delivers For Ordinary Citizens, Not Just Top Dogs

LADYSMITH, WI - At the 9th Street Café in Ladysmith today, Seventh District Congressman Dave Obey (D-WI), had breakfast and a lively discussion on the economy and ongoing recovery efforts with local citizens. As Chairman of the House Appropriations Committee, Obey was one of the lead authors of President Obama's economic recovery package.

"We're facing the greatest economic crunch of our lifetimes," Obey said. "That's why the recovery act was so big. We're trying to fill a three and a half trillion dollar hole in the economy over the next three years; that's roughly what the economists tell us we'll see by way of lost consumer purchases in this economy."

But the economy won't truly recover until we address its underlying inequality, Obey added, noting that there is no way we can have a strong economy that works for everyone when the wealthiest one percent of Americans have more money than the bottom ninety percent combined. "That's what led to the crunch we're in today," Obey said. "Since 2001, as worker productivity went up, over 90% of the income growth in the country went to the wealthiest 10% of society. The remaining 90% of Americans have been struggling to sustain their standard of living by borrowing to pay for their houses, for their cars, for their kids' education, and for everything else, and when they couldn't borrow anymore, the bottom fell out."

"Our job now is to rebuild the economy in a way that will enable middle class families to see their incomes grow again instead of all the benefits going to the top dogs," Obey said.

Talking specifics on the American Recovery and Reinvestment Act, Obey said it was designed to save or create 3 to 4 million jobs over the next couple of years, provide one of the biggest middle-class tax cuts in American history, and invest \$120 billion to put people to work building highways, bridges, sewer and water systems, airports, transit systems, modernizing our electrical grid and bringing high-speed broadband to every part of the country, including rural America. "It also tries to rebuild and modernize the economy to create new jobs through science and technology and by making investments that will wean us from our

dependence on foreign oil," Obey added.

Additionally, the bill provides funds to help stabilize state and local budgets to prevent tax increases. "That would be counterproductive during this kind of a recession and it also helps them avoid having to make drastic cutbacks in education and in law enforcement so that they don't have to fire cops, teachers, prison guards and all the other people who are paid out of state budgets," Obey noted. And it tries to help those who are being hit hardest by the recession by extending and expanding unemployment benefits, by helping them keep their health coverage, and helping with the cost of keeping their kids in college.

#